FOURTH ANNUAL REPORT
1989 - 1990

(Fiscal Year Ended 31 March 1990)

THE MANITOBA LAW FOUNDATION

LA FONDATION MANITOBAINE DU DROIT

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412 McDermot Avenue
Winnipeg, Manitoba R3A 0A9
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91-02158/

The Honourable James C. McCrae
Minister of Justice and Attorney General
Department of Justice
Legislative Building
Winnipeg, Manitoba

Dear Mr. Attorney:

RE: Fiscal Year Ended 31 March 1990

I have the honour to submit to you, in accordance with subsection 76 (1) of The Law Society Act (the "Act"), the fourth Annual Report of **The Manitoba Law Foundation.**

Financial Statements for the year ended 31 March 1990 were prepared by the Foundation's auditors, Deloitte & Touche, Chartered Accountants, whose report dated 03 May 1990 is attached. The Financial Statements were approved by the Foundation's Directors at a meeting of the Board held on 16 June 1990.

I am pleased to set out below some comments on the financial results, transactions and other information regarding the fiscal year just completed.

I. Composition of the Board of Directors

The affairs of the Foundation are administered by a Board of Directors appointed pursuant to the provisions of Section 66 of the Act. The appointment of the first Directors of the Board was made effective 23 October 1986, the date on which the Foundation came into existence, and members first appointed held office until replacements were appointed as indicated below. Under the provisions of subsection 68 (1) of the Act Directors' terms of office extend for three years and they may be reappointed. Members of the Board during the fiscal period included:

A. Members appointed by the Minister of Justice

John Burgess (Chairperson)[1]
Ian Restall (Vice-Chairperson)[1]
Linda Butcher[1]
Patricia Bruderer[1]
Robert Sulkers[1]
Jack R. London, Q.C. (Chairperson)[2]
Eleanor Thompson (Vice-Chairperson)[2]
Sister Bernadette O'Reilly[3]
Victor Schwartzman[2]
Marta Smith[3]

1 Term began 30 October 1989
2 Term expired 30 October 1989
3 Resigned 02 June 1989

B. Appointed by The Law Society of Manitoba

Jack M. Chapman, Q.C. [1]
John (Jack) A. Duncan, Q.C.[2]
J. F. Reeh Taylor, Q.C. [1]
Knox B. Foster, Q.C. [3]
Hymie Weinstein, Q.C. [3]

1 Appointed 01 September 1989
2 Resigned 31 August 1989 and reappointed 01 September 1989
3 Resigned 31 August 1989

C. Appointed by the president of the Manitoba Branch of the Canadian Bar Association

Allan P. Cantor, Q.C.*

* Reappointed for three year term beginning 30 October 1989

D. Appointed by the Dean of the Faculty of Law, University of Manitoba

Roland Penner, Q.C. [1]
D. Trevor Anderson, Q.C. [2]

1 Appointed 01 July 1989
2 Resigned 30 June 1989

II. Meetings of the Board

Section 73 of the Act requires that the Board meet at least four times annually. In the past fiscal year the Board met six times, including two extended meetings to approve discretionary grants and a special meeting to orient members joining the Board in the fiscal year.

III. Financial Highlights

A. Revenues

	1988-89	1989-90	Change
Interest on Lawyers' Trust	$ 3,469,260	4,085,016	+17.8%
Interest earned on investment	341,857	602,987	+76.4%
Total Revenues	$ 3,811,117	4,688,003	+23.0%

The Foundation experienced a substantial increase in income with gross revenues exceeding the previous fiscal year by 23%.

As in past years, revenues have come from two sources: the greater portion (87%) was interest paid to the Foundation on lawyers' trust accounts maintained pursuant to the provisions of subsection 39 (2) of the Act. The remaining 13% came from earnings on investments.

An increase of 17.8% for trust account revenues is due especially to relatively high short term interest rates prevailing throughout the fiscal period and also to some enhanced agreements negotiated by the Foundation with financial institutions. Major financial institutions have continued to be cooperative in their relationships with the Foundation.

The increase in yield on investments results from a combination of factors including cautious but productive investment strategies adopted by the Foundation, relatively high rates available within the fiscal period, an increase in the Foundation's reserve for future grants as compared with prior fiscal years, and the increase in cashflow throughout the fiscal period relative to the previous year.

B. Operational Costs

Operating expenditures were $152,712, an increase of only 2.25% from the previous year (excluding leasehold improvements which were paid for in the 1988-89 fiscal year). As a proportion of gross revenues, operational expenses for the Foundation decreased from 4.23% in 1988-89 to 3.26% in the fiscal year just ended. The Board has continued to put reasonable limits on the Foundation's operational expenditures, without sacrificing efficient management practices, to maximize the amount available for distribution in the form of grants.

C. Investments

In 1988-89 the Foundation implemented an investment policy combining the acquisition of low-risk marketable securities maturing within 36 months and investment in the short-term through the Provincial Treasury. The positive results of this policy were experienced with full effect in the fiscal year just ended.

Unallocated amounts and sums not needed immediately by funded projects and programs were invested. The Foundation earned a total of $602,987 in interest on investments (including interest accrued but not received). The average weighted annualized yield on investment was 11.17% as at the last day of the fiscal year just ended.

Grants are paid first out of interest on investment, thereafter from accumulated surplus and thereafter from current revenues.

D. Reserve for Future Grants

The Board resolved in 1986-87 to set aside $300,000 in a reserve for future discretionary grants and to add to that amount each year 10% of the revenues from interest paid on lawyers' general trust accounts until such time as the total reached the amount of $1.25 million. The major purpose for the reserve is to provide some stability during periods of revenue reductions.

The Board also resolved to review its reserve policy once the goal of $1.25 million had been achieved. As at 31 March 1990 the target had been attained with the addition of $348,927 to the amount of $901,074 previously set aside. The reserve is wholly reflected in secure investments maturing in periods not exceeding three years.

As previously resolved the Board will be reviewing its reserve policy.

E. Revenue Projections

Taking into account current economic conditions the Foundation is anticipating that its revenues in the fiscal period ending 31 March 1991 will be approximately the same as the fiscal year just ended and is budgeting on this basis.

IV. Grants

A. Allocations under the provisions of subsection 65 (1) of the Act (Mandatory Grants)

The Act provides that the Foundation allocate a portion of interest on lawyers trust accounts received in the previous fiscal year to The Legal Aid Services Society (50% or a minimum of $1,007,629) and The Law Society of Manitoba (16.67% or a minimum of $335,383) for its educational purposes. Accordingly, the following grants were paid and accrued.

1. **The Legal Aid Services Society of Manitoba**

Disbursed	$1,734,630
Accrued	2,042,508
Total	$3,777,138

2. **The Law Society of Manitoba**

Disbursed	$ 578,325
Accrued	680,972
Total	$1,259,297

B. Discretionary Grants under the provisions of subsection 65 (4) of the Act.

Monies available for discretionary grants consist of the surplus at the end of the previous fiscal year after the deduction for mandatory grants, operating expenses, and a contribution to the Foundation's reserve for future grants. To this may be added grants or portions of grants previously approved and subsequently cancelled or returned. In the fiscal year just ended the Board approved allocations from current revenues of $177,139.50 in addition to $530,112.53 constituting the surplus accumulated as at the end of the previous fiscal period.

The Foundation received and considered fifty-six applications for discretionary funding in 1989-90. Thirty-six discretionary grants totaling $728,252.03 were approved in accordance with the objects provided in Section 63 of the Act as follows:

1. LEGAL EDUCATION

a. PUBLIC LEGAL EDUCATION

Community Dispute Centre	
Community Education Project	$ 5,000.00
Community Legal Education Association (Manitoba), Incorporated	
General Operating Grant	$ 35,000.00
Public Legal Education Activities "PLEA" Project	$ 5,000.00
Consumers' Association of Canada	
Consumers' Legal Rights Video	$ 5,700.00
Elizabeth Fry Society of Manitoba, Inc.	
Legal Research Project	$ 33,000.00
Housing Concerns Group Incorporated	
Legal Information Seminars	$ 2,200.00
Inner City Voice	
Legal Information Column	$ 1,500.00
International Centre	
Legal Glossary	$ 2,857.03
John Howard Society of Manitoba	
Public Legal Education Programs	$ 5,000.00
Manitoba Action Committee on the Status of Women (Brandon)	
Purchase Legal Information Materials	$ 1,000.00
Manitoba Bar Association	
Law Day 1990	$ 5,000.00

Manitoba Association of Community Arts Councils

Legal Handbook $ 2,500.00

Mediation Services, Inc.

Training Program $ 2,800.00

Prostitutes and Other Women for Equal Rights

Legal Information Project $ 14,000.00

b. PROFESSIONAL DEVELOPMENT

Canadian Bar Foundation

Canadian Bar Review $ 5,000.00

Canadian Journal of Women and the Law

Special Issues $ 1,200.00

Manitoba Bar Association

Video Library $ 8,000.00

Manitoba Law Journal $ 7,500.00

Native Law Centre, University of Saskatchewan $ 10,000.00

National Joint Committee on Legal Education

Ethics Curriculum $ 5,000.00

Northern Justice Society

Publish Northern Justice Manual $ 17,000.00

University of Manitoba, Faculty of Law

Legal History Symposium $ 7,500.00
Student Competition Support Fund $ 20,000.00
Student Computer Training $ 12,000.00
Graduate Fellowship $ 15,000.00

Western Judicial Education Centre

Annual Conference $ 15,000.00

2. LEGAL RESEARCH

Legal Research Institute at the University of Manitoba $ 50,000.00

University of Manitoba

Juvenile Legal Historical Research Workshop $ 1,575.00

3. LEGAL AID SERVICES

Community Legal Education Association (Manitoba), Incorporated

Law Phone-In/Lawyer Referral $ 40,000.00

Community Unemployed Help Centre $ 20,000.00

Legal Aid Services Society of Manitoba

University Legal Aid Clinic $ 40,000.00
University Legal Aid Clinic - Summer Operation $ 23,420.00
Public Interest Law Centre $ 200,000.00

4. LAW REFORM

Manitoba Law Reform Commission

Staff Researcher $ 30,000.00

St. Theresa Point Band

Youth Court Project $ 33,500.00

5. LAW LIBRARIES

University of Manitoba

E.K.Williams Law Library $ 46,000.00

VI. CHAIRPERSON'S COMMENTS

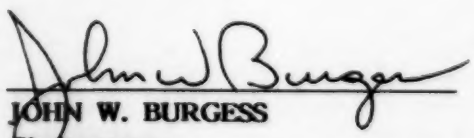
The Board of the Foundation has experienced substantial changes in its membership during the past year. Of the ten Board positions, eight have been filled with new board members from all areas of Manitoba. The new Board has been able to proceed quickly with Foundation business due in no small part to the solid base of policy and practice implemented by previous Boards and the able assistance of Foundation staff, Executive Director, Dr. Bill Greenaway, and Administrative Assistant, Ms Gini Lauder.

The Foundation has undertaken regular negotiations with major financial institutions to increase its revenues and this continues to be successful. The past year saw revenues from interest on lawyers' trust accounts exceed for the first time $4,000,000. The Board and the Executive Director continue to ensure the investments of the Foundation are carefully managed to obtain the highest rate of return with the least possible risk yet also guaranteeing the liquidity necessary to maintain the operations of the Foundation. The internal reporting system was revised during the year to provide the Board with more meaningful and timely information to assist in the proper stewardship of the assets and operations of the Foundation. The Board is cognizant of the need for a reserve for future grants not only to sustain its growth but also to ensure its stability. To this end the reserve for future grants will continue to grow.

The Board has, as in prior years, granted major amounts to legal institutions such as the Faculty of Law, University of Manitoba; the Public Interest Law Centre of the Legal Aid Services Society of Manitoba; and the Legal Research Institute of the University of Manitoba. The Board has also played a role in improving the delivery of legal services in Manitoba and has sponsored Manitoba Judges to attend the Western Judicial Education Centre to discuss, among other topics, race and gender bias. The Board is presently actively investigating grant applications dealing with ways in which anticipated recommendations of the Aboriginal Justice Inquiry may be studied and implemented.

In the coming year, the Board will strive to ensure that its goals and objectives are known and appreciated amongst other participants in the legal community of Manitoba. The Board will also continue to pay particular attention to new grant applications to ensure that they fall within the objectives of the Foundation. The Board will continue to foster, stimulate and maintain a strong legal environment in the Province of Manitoba while maintaining the current strength of the Foundation as a high priority.

All of which is respectfully submitted,



JOHN W. BURGESS
Chairperson,
The Manitoba Law Foundation

16 June 1989

FINANCIAL STATEMENTS
31 March 1990

AUDITORS' REPORT

To the Board of Directors of The Manitoba Law Foundation:

We have examined the balance sheet of The Manitoba Law Foundation as at March 31, 1990 and the statement of revenue, expenditures, grants and unallocated revenue for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Foundation as at March 31, 1990 and the results of its operations for the year then ended in accordance with the basis of accounting described in Note 2 to the financial statements applied on a basis consistent with that of the preceding year.

DELOITTE & TOUCHE
Chartered Accountants

May 3, 1990

BALANCE SHEET
MARCH 31, 1990

	1990	1989
ASSETS		
CASH	$ 68,736	$ 63,784
SHORT-TERM INVESTMENTS - at cost - Schedule 2	5,092,866	3,638,581
ACCRUED INTEREST ON INVESTMENTS	204,897	116,870
	$ 5,366,499	$ 3,819,235
LIABILITIES		
GRANTS ALLOCATED UNDISBURSED - Schedule 1	$ 2,830,755	$ 2,388,049
RESERVE FOR FUTURE GRANTS (Note 3)	1,250,000	901,074
UNALLOCATED REVENUE	1,285,744	530,112
	$ 5,366,499	$ 3,819,235

STATEMENT OF REVENUE, EXPENDITURES, GRANTS AND UNALLOCATED REVENUE

YEAR ENDED MARCH 31, 1990

	1990	1989
REVENUE		
Interest received on lawyers' trust accounts	$ 4,085,016	$ 3,469,260
Interest earned on investments	602,987	341,857
	4,688,003	3,811,117
ADMINISTRATIVE EXPENDITURES		
Audit and legal	4,300	4,150
Bank charges	127	30
Board fees	10,300	14,500
Courier	908	1,062
Furniture and fixtures	5,475	4,397
Insurance	2,122	2,137
Leasehold improvements	-	11,776
Meeting expenses	4,230	2,946
Miscellaneous expense	1,567	2,688
Office, postage and telephone	9,024	12,015
Rent	9,638	7,477
Salaries and staff benefits	98,078	93,095
Travel	6,943	4,850
	152,712	161,123
EXCESS OF REVENUE OVER EXPENDITURES	4,535,291	3,649,994
GRANTS ALLOCATED DURING THE YEAR - Schedule 1	3,430,732	3,010,261
UNALLOCATED REVENUE FOR THE YEAR	1,104,559	639,733
UNALLOCATED REVENUE, BEGINNING OF YEAR	530,112	237,305
APPROPRIATION TO RESERVE FOR FUTURE GRANTS (Note 3)	(348,927)	(346,926)
UNALLOCATED REVENUE, END OF YEAR	$ 1,285,744	$ 530,112

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED MARCH 31, 1990

1. NATURE OF THE FOUNDATION

The Manitoba Law Foundation was established by Act of the Legislative Assembly of Manitoba and was assented to October 23, 1986. The Foundation receives interest earned on lawyers' trust accounts and from these funds makes grants to organizations specified in the Act and grants to other organizations at the discretion of the Board of Directors.

The objects of the Foundation, as set out in the Act, are to encourage and promote: (a) legal education, (b) legal research, (c) legal aid services, (d) law reform, and (e) the development and maintenance of law libraries.

2. SIGNIFICANT ACCOUNTING POLICIES

(a) Interest on lawyers' trust accounts

Interest on lawyers' trust accounts is recognized in the Foundation's accounts as the financial institutions advise the Foundation of the amounts.

The Law Foundation assumes that solicitors who hold funds in trust for or on account of clients comply strictly with Section 39 of The Law Society Act.

(b) Interest on short-term investments

Interest on short-term investments is recorded in the accounts on the accrual basis.

(c) Fixed assets

Expenditures for the purchase of furniture and fixtures are expensed in the year of acquisition.

(d) Grants

Pursuant to subsection 65 (1) of The Law Society Act, grants equal to 50% and 16.67% of the interest received on lawyers' trust accounts annually or $1,007,629 and $335,383 respectively whichever is greater, is to be paid to The Legal Aid Services Society of Manitoba and The Law Society of Manitoba respectively. Provision for such grants is recorded annually in the Foundation's accounts. In the event there are insufficient funds to meet these commitments, grants will be calculated on a pro rata basis and will be deemed to be in full satisfaction of the grant obligation.

Grants other than as described above are recorded in the Foundation's accounts in the year of authorization.

3. RESERVE FOR FUTURE GRANTS

The Board resolved in 1986-87 to set aside $300,000 for a reserve for future grants and to add to that amount each year 10% of the revenues from interest paid on lawyers' trust accounts until such time as the total reserve reaches the amount of $1,250,000. The purpose of the reserve is to provide some stability during periods of revenue reductions. Accordingly, $348,927 was added to the reserve in 1989-90 to bring the total amount to $1,250,000. This amount is invested in secure investments maturing in periods not exceeding three years.

Subsequent to the year-end the Board approved a resolution to increase the reserve limit to $2,500,000.

SCHEDULE 1

GRANTS ALLOCATED AND UNDISBURSED

YEAR ENDED MARCH 31, 1990

	Allocated	Undisbursed
PER SUBSECTION 65 (1) THE LAW SOCIETY ACT		
The Legal Aid Services Society of Manitoba	$ 2,042,508	$ 2,042,508
The Law Society of Manitoba	680,972	680,972
	2,723,480	2,723,480
PER SUBSECTION 65 (4) THE LAW SOCIETY ACT (DISCRETIONARY)		
(A) LEGAL EDUCATION		
Community Dispute Centre	5,000	-
Community Legal Education Association (Manitoba), Incorporated		
General Operating Grant	35,000	-
Public Legal Education Activities "PLEA" Project	5,000	-
Consumers' Association of Canada	5,700	5,700
Elizabeth Fry Society of Manitoba Inc.	33,000	16,500
Housing Concerns Group Incorporated	2,200	-
Inner City Voice	1,500	-
International Centre	2,857	-
John Howard Society of Manitoba	5,000	-
Manitoba Action Committee on the Status of Women (Brandon)	1,000	-
Manitoba Bar Association		
Law Day 1990	5,000	5,000
Video Library	8,000	8,000
Manitoba Association of Community Arts Councils	2,500	-
Mediation Services, Inc.	2,800	-
Prostitutes and Other Women for Equal Rights	14,000	7,000
Canadian Bar Foundation	5,000	-
Canadian Journal of Women & The Law	1,200	-
Manitoba Law Journal	7,500	-
Native Law Centre, University of Saskatchewan	10,000	-
National Joint Committee on Legal Education	5,000	-
Northern Justice Society	17,000	-
University of Manitoba, Faculty of Law		
Legal History Symposium	7,500	7,500
Student Competition Support Fund	20,000	20,000
Student Computer Training	12,000	-
Graduate Fellowship	15,000	15,000
Western Judicial Education Centre Conference	15,000	7,500
(B) LEGAL RESEARCH		
Legal Research Institute	50,000	12,500
Juvenile Legal Historical Workshop (Univ. of Man.)	1,575	1,575
(C) LEGAL AID SERVICES		
Law Phone-In/Lawyer Referral (C.L.E.A.)	40,000	-
Community Unemployed Help Centre		
General Operating 89/90	20,000	-
Test Case Litigation Fund	-	1,000
Legal Aid Services Society of Manitoba		
University Legal Aid Clinic	40,000	-
University Legal Aid Clinic - Summer Operations	23,420	-
Public Interest Law Centre	200,000	-
(D) LAW REFORM		
Manitoba Law Reform Commission	30,000	-
St. Theresa Point Band	33,500	-
(E) LAW LIBRARIES		
University of Manitoba		
E. K. Williams Law Library	46,000	-
(F) CANCELLED OR UNUSED GRANTS		
University of Manitoba, Faculty of Law		
Fundraising Campaign	(21,000)	-
	$ 3,430,732	$ 2,830,755

SCHEDULE 2

INVESTMENTS

MARCH 31, 1990

	ORIGINAL COST	PREMIUM OR DISCOUNT	MATURITY DATE	RATES	ACCRUED INTEREST 31 MARCH 1990	MARKET VALUE 31 MARCH 1990
Provincial Treasury						
Term Deposit	$ 130,000	$ -	29 Jun 1990	12.00	$ 7,864	$ N/A
Term Deposit	50,000	-	28 Sep 1990	11.95	3,012	N/A
Term Deposit	150,000	-	29 Mar 1991	13.45	110	N/A
Midland Doherty						
CIBC Mortgage Certificates	200,300	300	18 Jun 1990	10.38	5,647	200,000
CIBC Mortgage Certificates	491,250	(8,750)	12 Dec 1990	9.87	20,208	492,500
Royal Bank Acceptances	150,187	187	12 Aug 1991	11.70	2,403	150,000
Royal Bank Acceptances	50,063	63	12 Aug 1991	11.70	904	50,000
Government of Canada Bonds	199,500	(500)	05 Mar 1991	11.00	1,887	196,000
National Trust GIC's	99,000	(1,000)	28 Sep 1990	10.15	707	99,000
National Trust GIC's	148,500	(1,500)	28 Sep 1990	10.15	1,054	148,500
Bank of Montreal Mortgage Certificates	196,262	(3,738)	06 Aug 1991	9.70	9,612	200,000
Bank of Montreal Mortgage Certificates	394,000	(6,000)	05 Oct 1991	10.00	17,787	394,000
Royal Trust GIC's	500,000	-	15 May 1992	11.00	48,369	500,000
Manitoba Hydro Bonds	100,000	-	15 Jun 1992	11.25	8,938	100,000
Montreal Trust GIC's	500,000	-	14 Feb 1993	11.38	7,167	500,000
Royal Bank						
Royal Bank Acceptances	200,520	520	24 May 1990	10.25	6,791	198,560
Wood Gundy						
Prince Edward Island Strip Bond Coupons	45,188	(11,687)	22 Dec 1990	N/A	8,107	51,665
Prince Edward Island Strip Bond Coupons	21,464	(6,973)	22 Jun 1991	N/A	3,996	24,239
Scotia Mortgage Acceptances	129,559	(5,441)	13 Jul 1992	10.25	2,970	132,440
R.B.C. Dominion Securities Pemberton						
Royal Trust GIC's	500,960	960	28 Feb 1991	11.70	19,194	492,060
G.M.A.C. Debentures	354,200	4,200	19 Apr 1991	11.45	16,278	342,870
Royal Trust GIC's	295,773	(4,227)	19 Aug 1991	10.75	11,568	288,870
Montreal Trust GIC's	186,140	(13,860)	25 Mar 1992	8.70	324	182,940
	$ 5,092,866				$ 204,897	

THE MANITOBA LAW FOUNDATION was established by the Legislature through amendments to The Law Society Act which came into effect on 23 October 1986. Financial institutions must pay to the Foundation interest on general trust accounts maintained by lawyers practising in Manitoba. This does not include the interest paid on specific trust investments held for individual clients. General trust deposits are usually held by lawyers in circumstances where the administrative cost of segregating the funds would exceed the interest payable to individual clients.

OBJECTIVES

The legislation establishing the Foundation spells out the purposes for which its money can be used. The objects of the Foundation are to encourage and promote:

(a) legal education;
(b) legal research;
(c) legal aid services;
(d) law reform; and
(e) the development and maintenance of law libraries.

ADMINISTRATION

The Foundation's affairs are administered by a Board of Directors consisting of ten members. Five members are appointed by the Minister of Justice; three are appointed by the Benchers of The Law Society of Manitoba; one is appointed by the president of the Manitoba Branch of the Canadian Bar Association; one is the Dean of the Faculty of Law, University of Manitoba or a member of the Faculty appointed by the Dean. The Minister of Justice designates one of the Directors as Chairperson and another as Vice-Chairperson. The Board meets regularly to decide on grant applications and policy matters including the collection and investment of revenues. A small staff is employed to take care of administrative matters and to advise prospective applicants for funding.

FUNDING GUIDELINES

A summary of the Foundation's granting policy and application forms are available from the Executive Director. In general, projects must fall within the stated objectives as interpreted by the Board of Directors. There are no limits on the amount of grants, but all grants are subject to the availability of funds. The grants mandated by legislation have a prior claim.

The Foundation is willing to fund projects that are creative and innovative as long as they fit its objectives and benefit the public interest.

APPLICATION PROCEDURES

Potential applicants first contact the Foundation office to discuss a proposal and obtain the necessary application forms. Applications are normally considered in May and October each year. In May applications submitted prior to the end of March are considered; in October applications submitted prior to the end of August are considered. Assistance in the preparation of applications is available from Foundation staff. It is the Board of Directors, however, who make all decisions on funding.

Along with the application forms prospective applicants receive a memorandum to assist in the completion of the package of written materials required by the Board in order to make its decision. Twelve copies of the completed proposal are required.

OBLIGATIONS OF GRANT RECIPIENTS

Grant recipients are required to confirm their obligations by letter in a form approved by the Foundation's Board. Generally, grant recipients must agree to spend the grant money as specified in their application or any variation approved in writing by the Foundation. Funds not spent in accordance with the letter of agreement must be refunded to the Foundation.

The Board of Directors of the Foundation has approved an Evaluation Policy. A memorandum specifying reporting requirements is available from the Foundation office. An independent auditor's report is required unless the Foundation specifically agrees that it is not required.